GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2181
ANSWERED ON:30.11.2007
NON AVAILABILITY OF CREDIT
Jindal Shri Naveen

Will the Minister of FINANCE be pleased to state:

(a) whether snail and medium enterprises are suffering due to non-availability of adequate cred t;

(b) if so, the details thereof and the reasons therefore;

(c) whether the banks and financial institutions have been urged te support these enterprises; and

(d) if so, the details thereof and the achievements made so far in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a) to (d): In August 2005, the Public Sector Banks (PSBs) have been advised to achieve minimum 20% year on year growth in credit to the SME Sector with the objective o`F doubling the credit in 5 years by the year 2009-10. The PSBs have shown a 25.81% year on year growth in credit outstanding to the SME Sector for the year 2006-07 over the year 2005-06. Government of India has taken various measures to increase the flow of crecit to Small and Medium Enterprises viz. fixing of self-targets for financing to SME sector oy ban